## NEW HAVEN LEGAL ASSISTANCE ASSOCIATION, INC.

426 STATE STREET
NEW HAVEN, CONNECTICUT 06510-2018
TELEPHONE: (203) 946-4811
FAX (203) 498-9271

Testimony of Joanne Gibau
before the Labor and Public Employees Committee
March 3, 2016
regarding SB 314

## AN ACT CONCERNING THE TEMPORARY FAMILY ASSISTANCE PROGRAM AND UNEMPLOYMENT COMPENSATION BENEFITS

My name is Joanne Gibau and I am a Benefits attorney with New Haven Legal Assistance. I am submitting this testimony in response to SB 314. I agree with the goal of helping Temporary Family Assistance (TFA) Jobs First Employment Services participants get and keep jobs that will allow them to support their families. However, I believe that one of the biggest barriers to achieving this goal is the cliff at the end of the 21-month time limit when a working parent can lose all TFA cash assistance benefits if she is making more than the TFA cash assistance benefit amount plus the \$90 work expense allowance, or \$687 for a family of 3 in most of the state.

A step-down in the TFA benefit amount rather then a complete loss of benefits would substantially help poor working families achieve crucial income stability, key to self-sufficiency.

As an example, under the current rules, a mother with two children who is earning \$700/month while receiving \$597 in cash assistance loses that \$597/month in TFA cash assistance benefits at the end of her family's 21 months on cash assistance.

I recommend a proposal whereby, rather than losing all cash assistance at 21 months, the family receives reduced benefits for another year while working. For the first 6 months in which a family would be ineligible for benefits because of earnings, a family's cash assistance benefit would be reduced by one-third, and for the second 6 months, the benefits would be reduced by two-thirds. The proposed language would be as follows:

## Reduce income cliffs for working TFA recipients CGS 17b-112 -

(c) (1) A family who is subject to time-limited benefits may petition the Commissioner of Social Services for six-month extensions of such benefits. The commissioner shall grant not more than two extensions <u>under this subsection</u> to such family who has made a good faith effort to comply

with the requirements of the program and despite such effort has a total family income at a level below the payment standard, or has encountered circumstances preventing employment including, but not limited to: (A) Domestic violence or physical harm to such family's children; or (B) other circumstances beyond such family's control. The commissioner shall disregard ninety dollars of earned income in determining applicable family income. The commissioner may grant a subsequent six-month extension if each adult in the family meets one or more of the following criteria: (i) The adult is precluded from engaging in employment activities due to domestic violence or another reason beyond the adult's control; (ii) the adult has two or more substantiated barriers to employment including, but not limited to, the lack of available child care, substance abuse or addiction, severe mental or physical health problems, one or more severe learning disabilities, domestic violence or a child who has a serious physical or behavioral health problem; (iii) the adult is working thirty-five or more hours per week, is earning at least the minimum wage and continues to earn less than the family's temporary family assistance payment standard; or (iv) the adult is employed and works less than thirty-five hours per week due to (i) a documented medical impairment that limits the adult's hours of employment, provided the adult works the maximum number of hours that the medical condition permits, or (ii) the need to care for a disabled member of the adult's household, provided the adult works the maximum number of hours the adult's caregiving responsibilities permit. Families receiving temporary family assistance shall be notified by the department of the right to petition for such extensions.

(NEW) (2) In addition to any extension available pursuant to subsection (1) to a family who is subject to time-limited benefits, the Commissioner shall grant two six month extensions to a family in which the caretaker relative has made a good faith effort to comply with the requirements of the program, has become employed while receiving cash assistance and applies for the extension available under this subsection at the end of the family's initial 21 months of assistance or a six-month extension granted under subsection (1), when the family has a total family income at or above the payment standard but less than the federal poverty level. The commissioner shall disregard ninety dollars of earned income in determining applicable family income. The benefit available to such family shall be limited to an amount equal to two-thirds of the benefit available to a family in such circumstances with total family income at a level below the payment standard for the first six month extension and one-third of the benefit available to a family in such circumstances with total family income at a level below the payment standard for the second six month extension.

Thank you for considering my testimony on behalf of poor working families.